

**IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE DISTRICT OF DELAWARE**

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In re:	:	Chapter 11
	:	
SEARS HOLDINGS CORPORATION, <i>et. al.</i> , <sup>1</sup>	:	Case No.: 18-23538-RDD
	:	Jointly Administered
Debtors.	:	
	:	
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**LIMITED OBJECTION OF SAYVILLE MENLO, LLC TO THE NOTICE OF  
ASSUMPTION AND ASSIGNMENT OF ADDITIONAL DESIGNATABLE LEASES**

PLEASE TAKE NOTICE that Sayville Menlo, LLC (“Landlord”), by and through its undersigned counsel, respectfully submits this Limited Objection to the Notice of Assumption and Assignment of Additional Designatable Leases (the “Notice”) filed by purchasers Transform Holdco, LLC, *et al.* (“Transform”) with respect to the non-residential lease between Landlord and Sears Holding Management Corporation (“Debtor”), of certain non-residential real property located at 5151 Sunrise Highway, Bohemia, New York 11716 (the “Property”) (the “Lease”), and in support thereof states as follows:

1. Pursuant to the Notice, there is no listed cure amount for the Lease. That amount

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<sup>1</sup> The last four digits of Sears Holdings Corporation federal tax identification number are 0798. Debtors’ mailing address is 3333 Beverly Road, Hoffman Estates, Illinois 60179. Due to the large number of Debtors in this jointly administered matter, a complete list of Debtors and the last four digits of their federal tax identified numbers are not provided herein.

is incorrect and not up to date. Indeed, Landlord timely filed a Proof of Claim, dated April 10, 2019 (“Proof of Claim”), in the amount of \$769,500.00 (the “Claim Amount”). The Proof of Claim is claim number 148-1 in the Claims Register.

2. The Claim Amount is an estimate by Landlord as the actual claim amount is subject to litigation which predates the Bankruptcy Filing.

3. Specifically, Landlord filed a Complaint against Debtor in New York State Supreme Court, County of Westchester, on September 29, 2017, captioned *Sayville Menlo, LLC v. Sears Holdings Management Corporation*, Index No.: 65462/2017 (the “State Action”).

4. The State Action asserts claims related to Debtor’s breach of the Lease by failing to make necessary repairs to the Property.

5. The State Action seeks either to compel Debtor to make the repairs or to pay Landlord for the costs of repairs which Landlord will then undertake.

6. Upon the filing of this Bankruptcy, the State Action was stayed and it remains stayed pending assumption of the Lease.

7. Therefore, Landlord filed a Proof of Claim with a Claim Amount based on the estimated cost of repairs which is subject to change based on the results of the State Action.

8. Upon consummation of the sale transaction and assignment of the Lease to Transform, Landlord intends to lift the stay in the State Action and to continue prosecuting its claims with Transform substituted as the tenant in possession.

9. While Landlord does not object to assignment and assumption of the Lease, Landlord disputes the designation of the cure amount as \$0.00 in the Notice as Transform has been aware of the pending litigation at all relevant times.

10. Transform should be required to cure Debtor’s non-monetary defaults under the

Lease and make the necessary repairs to the Property which are the subject of the State Action.

11. In the alternative, Transform should be required to pay to Landlord the cost of repairs as reflected in the Proof of Claim.

**WHEREFORE**, Landlord objects to the Notice unless an Order is entered granting relief consistent with the relief sought by this Limited Objection, and the Court grants such other and further relief as is just and proper.

Dated: Woodland Park, New Jersey  
April 24, 2019

ANSELL GRIMM & AARON, P.C.

*/s/ Anthony J. D'Artiglio*

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